(d) Does not arise in view of reply to (a) above.

(e) As of now foreign banks are allowed to conduct banking business through branches only. In the Budget Speech 2002-2003, it was announced that foreign banks will be given an option to either operate as branches of their parent banks or to set up subsidiaries.

**CBI probe into money received abroad through students**

5019. SHRIABANI ROY: Will the Minister of FINANCE be pleased to state:

(a) whether Government officials and politicians are spending lakhs of rupees per year on their children for higher studies in developed countries;

(b) if so, whether CBI has decided to prove the sources of financing the expensive higher education in developed countries by the children of such officials/politicians;

(c) if so, whether some students abroad are receiving money through hawala and other money laundering channels; and

(d) if so, the details thereof and the steps Government propose to take to check such transactions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE. N. RAMACHANDRAN): (a) No such information is available.

(b) CBI is not investigating any such case.

(c) Neither such a case is under investigation nor any complaint has been received in the Enforcement Directorate.

(d) Does not arise.

**Money Laundering Racket**

5020. SHRI P. PRABHAKAR REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether as reported in The Hindustan Times dated the 12th April, 2002, the Ministry of Finance has unearthed Rs. 350 crore racket carrying out a massive money-laundering operation in the country;

(b) if so, the details thereof;

(c) whether a CBI inquiry has been ordered or is proposed to be ordered into the matter; and

(d) if so, the results thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI G1NGEE N. RAMACHANDRAN): (a) and (b) Yes, Sir. Investigations have revealed suspicious cash deposits totalling over Rs. 333 crores in Mumbai branches of various banks. The amounts so deposited in these banks were then transferred to Kerala and other States by Telegraphic Transfer. These amounts were then withdrawn in cash from these branches.

(c) and (d) A reference has been made to the Central Bureau of Investigation by the Enforcement Directorate. However, the results of the inquiries made by the CBI are awaited.

**Promotion of officers of associate banks of SBI**

5021. DR. ALLADI P. RAJKUMAR:
SHRI YADLAPATI VENKAT RAO:

Will the Minister of FINANCE be pleased to state:

(a) the number of officers of the rank of AGM in the Associate Banks of SBI who were promoted as DGM during the year 2000 and 2001, bank-wise and year-wise;

(b) the number of the above mentioned officers, bank-wise and year-wise; who were transferred on promotion according to policy;

(c) the number of such officers who were not transferred in violation of the policy, bank-wise and year-wise; and

(d) by when, they are proposed to be transferred and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI B ALAS AHEB VIKHE PATIL): (a) Bank-wise position on the Officers (presently in service) promoted as DGM during the years 2000 and 2001:

| | 2000 | 2001 |
|---|---|---|
| State Bank of Bikaner & JaipuF | 8 | 5 |
| State Bank of Hyderabad | 3 | 6 |
| State Bank of Indore | 1 | 5 |
| State Bank of Mysore | 5 | 5 |
| State Bank of Patiala | 2 | 7 |
| State Bank of Saurashtra | — | 5 |
| State Bank of Travancore | 2 | 5 |
| TOTAL : | 21 | 38 |